REMARKS

Claims 6-30 remain in the application. Claims 1-5 have been cancelled without prejudice. Claims 6, 7, 20 and 24 have been amended.

Rejections Under 35 U.S.C. § 102(b) and 103(a)

Claims 6, 12-13, 15-18, 24-28, and 30 were rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 3,376,551 to Armbruster ("Armbruster"). Claims 24, 27 and 29 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,563,401 to Lemelson ("Lemelson") and Armbruster. Claims 7-10 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Armbruster in view of U.S. Patent No. 3,700,828 to Zacaroli ("Zacaroli"). Claim 11 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Armbruster and Zacaroli in combination with U.S. Patent No. 3,566,045 to Paine ("Paine"). Claims 4, 14, and 29 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Armbruster. Claims 19-22 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Armbruster in view of U.S. Patent No. 6,715,679 to Infosino ("Infosino"). Claim 23 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Armbruster in view of U.S. Patent No. 4,369,431 to Howbrook ("Howbrook").

As described in the Background Section of the present applications, MICR (magnetic ink character recognition) does not store an information signal in the magnetic ink. The ink is magnetized in one direction and is perceived by a read head that is similar to what is found in a cassette tape drive. There are many examples of MICR characters, the most common example is the bank account information found at the bottom of American bank checks. CMC-7 is another standard format, and an example of that format is shown, for example in Fig. 20a of the Armbruster patent. A number of vertical lines are used, each with uniform polarization, that are read with a read head similar to that which is used for MICR characters. In the embodiment of Fig. 26a of Armbruster, the lines that are being placed on the paper are encoded according to the CMC-7 manner. Accordingly, the lines may make up an "Arabic" notation (i.e., the numeral 2), but are coded magnetically in binary form (i.e., the presence of a line, its thickness, and/or the absence of a line where each line is uniformly polarized magnetically). CMC-7 is the only type

of magnetization described with respect to Fig. 26a. That example uses the mask 183 shown in Fig. 26a. The text of Col. 33, lines 18-61 does not describe a different embodiment other than CMC-7 (i.e., lines 29-34, "[i]n the particular example taken in FIGURE 26a, it is designed to record in an ink shape of ordinary English characters but coded suitable for representation in the CMC 7 code which is effective for many interpretations of numbers in European documents").

In Armbruster, the magnetic ball will cause the ink to be placed on the paper in a "Bitter pattern" as shown in Fig. 26. As the ball rotates, ink will accumulate on the paper when the poles of the magnetic ball contact the paper. The presence or absence of magnetic ink can be read by the read head 179 in Fig. 26.

The apparatus of Fig. 26a is "designed to record in an ink shape of ordinary English characters but coded suitable for representation in the CMC 7 code." (Col. 33, lines 30-33). The embodiment of Fig. 26a appears to be different from Fig. 26 in that in this case the ink is "not too much effected by the flux of the ball 180." Accordingly, as shown in Fig. 26a, the ink will not be deposited in the Bitter pattern shown in Fig. 26, but a continuous flow of ink. A "driving means" is provided for the apparatus of Fig. 26a, but is not shown. Such a means would act upon the magnetic ball point so as to control its rotation, and thus control where on the paper ink is deposited. "The pick-up coil 187 is associated with the ball magnet 180 in the usual fashion, and the electrical waveforms therefrom are carried into an amplifying device 188 and from there into a decoder 189. The decoder in turn carries its impulses down into the coil of the recording magnetic head 186 which is to be swept over the drying ink 181 and provide a characteristic magnetic pattern therein which is either representative of or related to the character decoded." (Col. 33, lines 52-61). Again, the only example given for this in Armbruster is the CMC 7 code. In order for the ink to be properly magnetized, the character must be decoded. To decode a character, the character must first be written. Thus, the magnetic penpoint is first controlled so as to trace the number "2" over the mask 183 and then the pen is brought back over the character to magnetize the appropriate stripes to create the CMC 7 code for the numeral "2."

The disclosure of Armbruster pertains to picking up signals from the moving magnetic ball point and magnetizing ink based on the picked-up signal (Col. 8, lines 45-50, "In this device, the generated electrical waveforms are not only sent to storage or sent to remote stations outside the pen, but also brought around and made effective to make magnetic recordings on the ink deposited by the same pen."). It is noted that in the only examples given for this feature, the

character that is being written needs to be decoded first, implying that the character needs to be written twice (see Col. 33, line 71 to Col. 34, line 15; "After a character is inscribed over the mask 183 and the ink deposited therethrough .... the character is analyzed through the generating equipment 187, 188, and 189 and it is decided which of the vertical stripes are to be magnetized to represent the code arrangement."). The text of Col. 33, lines 56-61 ("representative of or related to the character <u>decoded</u>"; emphasis supplied) is noted.

As stated previously and throughout the patent application, the present invention is directed to storing an information signal into the magnetic ink applied to the surface. Such a signal could include authentication data and authorization data. Independent claims 6, 7, 20, and 24 have been amended to refer to various embodiments of the present invention where the magnetic field generator is above the penpoint relative to the writing surface so that an information signal can be stored into the magnetic ink as it is applied to the surface. Such a feature is neither shown nor suggested by Armbruster as described above.

The remaining references fail to make up for the deficiencies of Armbruster. Lemelson pertains to bar codes that supposedly include a magnetic recording. No disclosure is given as to how such recording is done. Zacaroli and Paine refer to read and write magnetic recording heads for tape recording and the like and not recording in ink. Infosino refers to a magnetic stripe card and Howbrook refers to monitoring handwriting on a graphic input panel.

In view of the above, reconsideration and withdrawal of the rejection of claims 6-30 under 35 U.S.C. §§ 102(b) and 103(a) is respectfully requested.

CONCLUSION

Applicants respectfully submit that this application is in condition for allowance. A Notice of Allowance is earnestly solicited.

The Examiner is invited to contact the undersigned at (202) 220-4255 to discuss any matter concerning this application. The Office is hereby authorized to charge any additional fees or credit any overpayments under 37 C.F.R. § 1.16 or § 1.17 to Deposit Account No. 11-0600.

Respectfully submitted,
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Dated: 8/3/06   By: _____

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